

Sample Contract

West Virginia Public Employees Insurance Agency (PEIA) Comprehensive Care Pilot Program Provider Agreement

This AGREEMENT is entered into and effective AAA, 2011, by and between HealthSmart Benefit Services (hereinafter “TPA”) and XXX (hereinafter “Clinic”):

WHEREAS, TPA is the entity duly selected by PEIA to perform by contract on behalf of PEIA, inter alia, medical provider claims payment activities; and

WHEREAS, PEIA desires to conduct a Comprehensive Care Plan program whereby certain contractually participating medical providers will be paid a monthly global capitated amount to provide all of the Primary Health Care Services to certain PEIA members who voluntarily enter the Program; and

WHEREAS, Clinic wishes to participate in the Program and to provide said Health Care Services to participating PEIA members on a capitated basis;

Now THEREFORE, the TPA and Clinic agree as follows:

1. Capitations/Reimbursement

- a. Clinic shall be paid a monthly Capitation Amount for each PEIA member properly enrolled in the Program at the Clinic. Payment for each respective member will begin

in the month following initial enrollment in the Program. PEIA, TPA, and Clinic will agree, in writing, to appropriate member enrollment protocols.

- b. The Capitation Amounts to be paid are as set forth in Exhibit 1, hereto.
- c. The count for the member and category of PEIA members upon which the Capitation Amount is paid each month will be determined by PEIA upon the agreed written protocols and provided to TPA by PEIA via an Excel Spreadsheet or standard file transfers. TPA will process payments in the second claim run of the month (on or about the second Thursday of each month).
- d. Capitations are due the month following the service month so that capitations will not be advance payments but, payments for services previously rendered, i.e., capitations for the month of May will be paid on the second claim run in the month of June.
- e. Established budgets – Established budgets are defined in Exhibit 2:
 - i. Non-Capitated services (all services not covered under the Capitation) will be part of the established budget.
 - 1. Specific areas under non-capitated services will be analyzed in the following budgets.
 - a. Hospital
 - b. Emergency Room
 - c. Specialist
 - d. Pharmacy
 - e. Clinical Lab/Pathology
 - f. Radiology

g. All Other

2. Budget reports will be done quarterly at the end of the third month following the end of the quarter, for members with more than 12 months continuous eligibility in the program.
3. Failure of Clinic to achieve the required quality care guidelines and outcome measures listed below will void any budget sharing for that time period.
4. Overall savings from expected to actual budget results will be settled as outlined in Exhibit 2. The budget payment will be paid based on the report generated for the quarter ending at the end of the initial 12-month period . Payment of the budget savings will be made within 30 days of validating the data.

f. Hold Harmless – For the provision of Primary Health Care Services to members participating in the Program, Clinic will accept as exclusive payment the payments called for in this Agreement and Clinic will hold harmless any member enrolled in the Pilot Program from payment of any additional amount for Primary Health Care Services received at the Clinic. TPA will not be responsible for any payments to Clinic which are in excess of amounts funded by PEIA for Clinic payments.

2. Health Care Services

- a. Clinic shall provide without limitation all specified Health Care Services to PEIA members who are properly enrolled in the Program .
- b. All Health Care Services provided by the Clinic's FEIN will be covered under the base capitation. Clinic will receive the same agreed upon Capitation Amount per month per

enrolled member regardless of the amount or frequency of the capitated Primary Health Care Services which that member requires.

3. It is understood that PEIA members participating in the Program should receive all their Primary Health Care at the Clinic, except for Emergency Situations and Out-of-State Travel Situations.

4. Care Coordination

- a. Clinic shall coordinate the medical care of PEIA members participating in the Program.
- b. Clinic shall encourage PEIA members participating in the Program to seek necessary referrals to other provider and/or specialist providers through the Clinic and Clinic shall keep appropriate records of such referrals.
- c. Although Clinic will receive only the agreed upon Capitation Amounts with respect to PEIA Members participating in the Program, Clinic will prepare and submit properly coded "claims" to TPA for all Basic Health Care Services provided to said members to facilitator record keeping and care coordination. Such claims will be paid by TPA at a zero amount for all claims billed for the Clinic's FEIN numbers.

5. Quality Measures/Clinical Process and Outcome Measures Withhold

- a. The measures and goals set forth on Exhibit 3 will be tracked and reported quarterly.
 - i. Clinical process and outcome measures will be reported quarterly in the end of the month following the end of the quarter for members with more than 12 months continuous eligibility in the program.
 - ii. Quality Goals:

Year One of Program:

1. 70 - 100% of measures achieved ---100% of eligible savings

2. 60 – 69% of measures achieved --- 90% of eligible savings
3. 50 – 59% of measures achieved --- 70% of eligible savings
4. Less than 50% of measures achieved --- 0% of eligible savings

Year Two of the Program:

1. 80 – 100% of measures achieved ---100% of eligible savings
2. 70 – 79% of measures achieved --- 90% of eligible savings
3. 60 – 69% of measures achieved --- 70% of eligible savings
4. Less than 60% of measures achieved --- 0% of eligible savings

Year Three Forward:

1. 90 – 100% of measures achieved ---100% eligible savings
2. 80 – 89% of measures achieved --- 90% of eligible savings
3. 70 – 79% of measures achieved --- 70% of eligible savings
4. Less than 70% of measures achieved --- 0% of eligible savings

6. Reports

- a. Reports will be generated as agreed between PEIA, TPA, and Clinic, in writing, a list of reports will be attached hereto as Exhibit 4.
- b. Examples of reports are:
 - i. Capitation comparison.....xxxx
 - ii. Risk pool evaluation.....yyyy
 - iii. Payment distribution of services....zzzz
 - iv. Clinical process and outcome measures.....aaaa

7. Notices and Correspondence

Any notice required or permitted to be given pursuant to this Agreement shall be in writing

and shall be either hand-delivered or deposited in the United States mail, by registered or certified mail, return receipt requested, addressed as follows:

HealthSmart TPA

Clinic

Address

Address

Notice shall be effective upon receipt. Either party may change the address to which notices are to be delivered by giving written notice to the other party as provided in this section.

HealthSmart TPA

By: _____

Title: _____

Clinic

By: _____

Title: _____